



TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

FEB 23 2008

200921033

SET:EP:RA:AZ

Re:

Hospital =

Buyer =

Dear

This letter constitutes notice that pursuant to your authorized representative's request of January 8, 2009:

- (1) your request for a waiver of the minimum funding standard for the Plan for the plan year ending November 30, , has been withdrawn, and the case has been closed by this office; and
- (2) waivers of the 100 percent tax under section 4971(b) of the Internal Revenue Code ("Code") have been granted for the Plan for the plan years ending November 30, , through , on the condition that the Plan is terminated by the Pension Benefit Guaranty Corporation ("PBGC"). If the termination of the Plan is not approved, the Hospital may request that its request for a waiver of the minimum funding standard for the Plan for the plan year ending November 30, be re-opened for consideration.

The conditional waivers of the 100 percent tax have been granted in accordance with section 3002(b) of the Employee Retirement Income Security Act ("ERISA"). The amounts for which the conditional waivers have been granted are equal to 100 percent of the accumulated funding deficiencies in the funding standard account as of November 30, through , and the aggregate unpaid minimum required contributions as of November 30, the end of the plan years for which the waivers have been granted, to the extent such funding deficiencies or aggregate unpaid minimum required contributions have not been corrected.

Effective August 1, 2008, the Hospital ceased benefit accruals for all participants who had not previously ceased to accrue benefits under the Plan. On November 4, the Hospital filed a voluntary petition for reorganization under Chapter 11 of the Bankruptcy Code. Since the filing of the bankruptcy petition, the Hospital has remained in possession and management of its business and property as a debtor-in-possession pursuant to the U.S. Bankruptcy Code.

In connection with the filing of the bankruptcy petition, the Hospital entered into an agreement with the Buyer under which the Buyer or one or more of its controlled affiliates will purchase substantially all of the operating assets of the Hospital and its affiliates (conditioned on the approval of the bankruptcy court). As a result of the sale, substantially all of the employees of the Hospital will terminate employment with the Hospital and will become employed by the Buyer or one of its controlled affiliates. It is anticipated that the purchase will occur during the spring of . Following the Buyer's purchase of substantially all of the operating assets of the Hospital, the Hospital will be liquidated.

One of the conditions of the sale of the Hospital's assets to the Buyer is that the PBGC assume responsibility for the Plan, pursuant to either a distress termination of the Plan under Section 4041 of ERISA or an involuntary termination of the Plan by the PBGC under Section 4042 of ERISA. The Hospital anticipates that it will resolve the procedure for the PBGC's assumption of the Plan prior to the sale to the Buyer.

This ruling is directed only to the taxpayer that requested it. Section 6110(k)(3) of the Code provides that it may not be used or cited by others as precedent.

We have sent a copy of this letter to the Manager,
to the Manager, and to your
authorized representative pursuant to a power of attorney on file in this office.

If you require further assistance in this matter, please contact

Sincerely yours,



Andrew E. Zuckerman, Director
Employee Plans Rulings & Agreements